

Quartet Community Foundation

Grants Policy and Procedures

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(I) Grants Policy

I Available Funds

I.1 Quartet Community Foundation (“Quartet”) manages a range of funds on behalf of a wide range of donors, including families, companies, charitable trusts and statutory bodies. Almost 200 current funds are listed on the Quartet web-site.

I.2 Funds are classified as follows:

- Discretionary – unrestricted charitable funds distributed at the discretion of Trustees
- Field of interest – charitable funds distributed at the discretion of Trustees within a particular local geographical area (e.g. Bristol) or issue (e.g. young people)
- Donor advised – the donor sets particular criteria or selects from local projects put forward by Quartet. In some cases, Quartet manages a separate application process for a donor and involves an advisory panel – these funds are generally referred to as ‘special advised’ funds.
- Donor Directed - the donor participates actively in grant making by recommending charitable causes – local, national or international - they wish to support.
- Thematic (or designated) – distributed to specific named areas or for specific purposes (and in some instances to specific named charities e.g. The Young Bristol Fund). Trustees have agreed to establish ‘thematic programmes’ – more proactive initiatives by Quartet in a particular field and which may involve commissioned projects rather than responsive grant-making.
- Government and Public Bodies funds – funds set up by government or public bodies and managed by Quartet in accordance with specific processes/guidelines for distribution.

I.2 There is relatively little discretion for Quartet Trustees in Donor Directed or Government/Public Bodies funds. Grants made from those programmes which offer discretion to Quartet Trustees fall into three categories

- **Express grants** – up to a ceiling of £2000
- **Catalyst grants** – up to a ceiling of £5000
- **Thematic grants** – without a size limit but distributed to support thematic (designated) programmes.

I.3 In all these programmes the following conditions apply:

- Quartet does not normally make grants to individuals (although grants to individuals may be made from Donor Directed Funds).

- Applicants must be based and operating in Bristol, Bath & North East Somerset, North Somerset or South Gloucestershire.
- Applications may be considered from national organisations as long as they have a significant presence in Quartet's area of benefit and any grant made would be of direct benefit to people locally.
- Applicants are expected to use the relevant application form, which invites applicants to specify how they will address the criteria and guidelines for the particular fund or programme from which a grant is sought.
- Grants may be for capital or revenue items.
- Organisations can only apply once a year to the Express Programme (though may apply to other programmes within the Quartet portfolio of funds) and must normally wait for a full twelve months before applying again, whether successful or not. (see policy on repeat funding).
- Applicant groups need not be registered charities, but need to have a constitution that sets out what they do and that demonstrates their charitable purposes.
- Applicant groups should have a management committee
- Applicant groups should have a bank account in the name of the organisation with at least two signatories to authorise cheques. If a group does not have a bank account, Quartet may agree to pay a grant to another bona fide organisation to hold on its behalf.
- Applicant groups should demonstrate their ability to manage their finances prudently.

2. The Express Programme

- 2.1 Though there are no limits to the size of organisation which may apply to Quartet, Express grants are normally targeted at small, local voluntary and community organisations where a small amount of money can make a significant difference. Quartet would like to see applications that engage local people and encourage them to participate at all levels in the groups and organisations. The maximum grant from the Express Programme is £2,000.
- 2.2 Express grants are intended to benefit people who are disadvantaged or isolated. This may be due to poverty, disability, location, culture, sexual orientation, or age. Priority will be given to organisations that:
- Enable people to take opportunities and that would otherwise not be available to them
 - Meet identified needs of disadvantaged people from communities of interest or place.

- Involve local people in improving their community
- Reflect the concerns and priorities of people living and working in the area
- Address emerging needs and are exploring ways of addressing those needs

3. The Catalyst Programme

The Catalyst programme (maximum grant £5,000) aims to support organisations which wish to maintain or extend existing activities and where evidence of impact and success can be provided. The Catalyst programme is more likely to support service delivery as well as community involvement and may from time to time identify particular priorities which are of importance to Quartet in meeting its strategic objective of (e.g supporting collaboration between organisations, addressing the impact of recession, encouraging evaluation).

4 Thematic Programmes

Thematic programmes are established by Trustees after research and consultation about urgent needs and gaps in the current provision of funding in all or parts of the area of benefit. Thematic programmes may involve collaboration with other funders in order to build a significant initiative, and grants under such a programme are likely to be larger than under Express or Catalyst programmes. Impact evaluation and supporting the Quartet objective 'to use our knowledge and networks to be a force for positive change' is a key element. Projects are more likely to be commissioned, and there is no application process for thematic grants. Nevertheless grant-making will aim to be transparent within the process agreed for development and implementation of any thematic programme.

Currently (2010) a *Youth in Transition* thematic programme is under development.

5 Balance of Funding

Trustees will make an indicative allocation of funds to these three programme areas as part of their strategic and business planning, and staff will work to assemble funding packages from the multiple funds listed on Section 1.2 above to meet these allocations

6 Exclusions

6.1 Quartet will not fund the following from its Discretionary and Field of Interest Funds (although donors with Advised or Directed Funds within Quartet may do so, provided the purpose is charitable):

- Individuals
- General appeals
- Statutory organisations or the direct replacement of statutory funding
- Political groups or activities promoting political beliefs

- Religious groups promoting religious beliefs
 - Arts projects with no community or charitable element
 - Sports projects with no community or charitable element
 - Medical research, equipment or treatment
 - Animal welfare
 - Projects that take place before an application can be processed
 - Organisations with 12 months reserves (not otherwise designated)
- 6.2 In general, vehicles, conferences, and exhibitions will be given low priority. In exceptional cases vehicles may be considered if the vehicle is being used by the broader community, such as through Community Transport schemes.

(2.1) Repeat & multiple applications and longer term funding

I. Repeat and multiple applications

- I.1 Groups can apply to any of the Funding Programme run by the Community Foundation to which they are eligible. In any one year a group could have multiple grants. It is important that all groups who apply are aware that they can apply to more than one fund in any year and this is clearly indicated on the grant guidelines.
- I.2 *When dealing with repeat applications priority may be given to other applications that are developing new work or new responses to issues.*
- I.3 The 2004 evaluation report noted that the Foundation was a serial funder and did fund organisations year on year but not necessarily for the same things, and not necessarily for a number of years in succession. As part of the annual review of grant making each year, Trustees consider reports that look at those organisations that have received more than one grant in the year or have had a number of grants over a number of years. This is done to ensure that certain groups are not being favoured over others.
- I.3 Groups can apply once a year to any one fund and Quartet will consider applications for the same purpose for up to a maximum of three years in succession. In considering these applications note will be taken of the monitoring reports received by the Quarter on previous grants made. Advice is given on where to go for help to identify different sources after a third grant has been made. It would be clearly indicated to a group that an application for a fourth consecutive year would not be accepted. However the group would be able to apply again after a full financial year had lapsed since their last application.

- 1.4 In practice groups do not tend to come back for the same thing year after year. The exception to this is groups of elderly people who are running lunch or social clubs and who are looking for help towards transport costs. Even in this case and in similar instances Quartet would expect groups to be looking for other sources of funding and not coming back to the Community Foundation year on year.

2 Long term funding

- 2.1 *The Community Foundation recognises the case for multi-year funding, particular for core funding. However the size of the capital base of the Community Foundation, and the number of annual revenue funds means it is not possible at this time to commit to grants awards of more than one year.*
- 2.2 *The Evaluation Report (2004) on Quartet's grant making highlighted the role of the small grants funder and how useful this kind of flexible funding is and how much groups appreciate it. In the longer term when Quartet's asset base grows it would be hoped that larger and longer term grants would be available. At present, the most appropriate role for Quartet is that of provider of relatively small grants that are delivered swiftly and in a flexible and straightforward way*

(2.2) Full Cost Recovery

1 Context

- 1.1 This Policy was agreed at the meeting of the Grants & Community Impact Committee January 2007.
- 1.2 Quartet Trustees recognise the value of Full Cost Recovery and the importance to providing grants that enable an organisation to carry all its functions. Full Cost Recovery means that an organisation should in its costing of a project cover the total costs of the work to the organisation.
- 1.3 Quartet Trustees recognise that some of the costs within an application will be used towards the management of the project or organisation. It has never been a policy NOT to make a contribution towards management or core costs.
- 1.4 However it is also recognised that given the size and nature of Quartet's funding, any element of the funding would only represent a small contribution to the overall costs of the group.

2 Policy

- 2.1 Quartet Community Foundation supports fully the principle of Full Cost Recovery and where appropriate will include in grants an element that can be apportioned to the management of the organisation. There are many formulas for applying Full Cost Recovery to a bid, but there is no one simple %age that can be applied across the board. In some cases of a small organisation the entire grant could be deemed to be for "core activities".

- 2.2 Quartet is a small grant funder and many grants are for one-off activities or for pieces of equipment and so not all grants would contain an element of full cost recovery. Quartet provides grant aid that is limited by the criteria of the individual grants programmes. In most cases, the grant made is a contribution to costs and not a contract for a service.

(2.3) Equal opportunities policy

Quartet is keen to uphold the principles of equal opportunities in all grant-making activities.

Quartet strives to ensure that:

- Eligible groups are fully aware of our grants programme, by widening public knowledge of the organisation and by targeting publicity.
- Guidelines and application forms are written in plain English and are jargon free. Quartet will make materials available in other formats and languages if requested.
- Grant assessment is consistent between staff members and that assessment is carried out in accordance with the published grantmaking guidelines, taking into account any fundholder requests and amount of funding available.
- Training is offered to staff, Trustees, committee and funding panel members so that they are aware of equality issues that may affect an application.
- The application and decision making process is transparent.
- Grant recipients are expected to uphold equal opportunity principles and are asked to do so. Groups applying for grants of more than £10,000 are asked to submit their equal opportunities policy.

(2.4) Applications for/from schools

I. Funds

- I.1 Quartet's policy when considering applications from schools to Discretionary and Field of Interest Funds is as follows although other funds managed by Quartet may have different criteria for applications from schools.
- I.2 The Express programme excludes grants to statutory organisations or direct replacement of statutory funding such as the core funding of schools.
- I.3 However, the University of the West of England Fund criteria is explicitly about education and training for children/young people and is more flexible about funding school-based activity. Other funds or programmes managed by the Foundation may also include grant making to schools (as education is charitable)

2. Principles

- 2.1 The general principle underlying grants for school based activities is that whatever is funded is something that is above and beyond the scope of statutory provision.
- 2.2 Things that would be funded include
- The creation of an environmental/wildlife garden in a school play area
 - A residential camp for year 6 pupils to ease them into secondary school, where pupils may not be able to afford the full costs
 - Out of school activities for young people at risk of exclusion
 - Home work clubs not run by the school exclusively
- 2.3 Things that would not be funded include
- Books and materials for class lessons including IT equipment
 - Structural changes to school buildings, including building new classrooms
 - Trips and activities that are part of the school curriculum
- 2.4 It must be noted, however, that Donor Directed grants may be made for the purposes set out in 2.3.

(2.5) Applications from faith based organisations

1. Funds
- 1.1 This paper sets out Quartet's policy when considering applications from faith based organisations. Other funds managed by Quartet tend to have similar criteria regarding these groups.
- 1.2 Quartet's grants policy states that we do not fund "religious groups promoting religious beliefs" however in our grant making we receive many applications from faith based groups, such as Christian churches, the Muslim and Sikh Associations where it is recognised that the activity for which they are requesting funding is of benefit to the wider community and is done for purely altruistic motives
2. Principles
- 2.1 The general principle underlying grants to faith based organisations is that whatever is funded is of benefit for the wider community and is not intended to influence people's religious choices
- 2.2 Things that would be funded include
- Lunch clubs set up and run by faith based groups

- Activities aimed at creating better understanding among people of different faiths and none
- Other social or community activity that is not being used for proselytising purposes

2.3 Things that would not be funded include
 Promotion of a single religion
 Activities intended to encourage people to adopt one religion as opposed to another
 Educational activities that are purely religion based

2.4 It must be noted, however, that some Fundholders may choose to give to a particular organisation to promote that faith, but that the normal checks would be undertaken to ensure that this was a bone fide group

(3.1) Schedule of delegation of Grant-making

<i>Type of Fund</i>	<i>Grant size</i>	<i>Decision-making delegated to:</i>	<i>Decision-making process</i>
Discretionary and field of interest funds	Up to £2,000	Chief Executive Officer/Grants Director/Development Director	Chief Executive Officer, Fund Managers and Grants Officer agree grant. Decision reported to next Grants & Community Impact Committee.
	£2,001 - £10,000	Grants & Community Impact Committee	Applications assessed and recommendation made to Grants & Community Impact Committee for decision. Decision reported to next meeting of Board of Trustees
	Over £10,000	Board of Trustees	Applications assessed for discussion by Grants & Community Impact Committee who make recommendation to Board of Trustees for decision.
Donor directed and designated funds ie request for grant to be made is initiated by the donor, or the fund has one particular	No limit	Chief Executive Officer/Grants & Development Directors/Fund Manager	Donor requests in writing a grant to be made from their fund. Fund Manager or Donor Services Officer checks charitable status and makes grant. Decision reported to next Grants & Community

beneficiary			Impact Committee.
Donor-advised funds ie donor is consulted about grant to be made	No limit	Chief Executive Officer/Fund Manager	Fund Manager assesses grant application and refers it to donor. Donor agrees in writing to make grant from their fund. Decision reported to next Grants & Community Impact Committee.
Special Advised Funds:			
a. with Advisory Panel with Trustee in membership	No limit	Trustee panel member	Applications are considered by panel which includes at least one Trustee. Decisions of panel are treated in similar way to donor advised funds and reported to next meeting of Grants & Community Impact Committee
b. with Advisory Panel with no Trustee in membership	No limit	Grants & Community Impact Committee	Advisory Panel makes decisions which are referred to the Grants & Community Impact Committee for ratification

(3.2) Appeals process

In all Quartets' grant-making processes, care is taken to assess all applications against set published criteria in a consistent and equitable way. It is Quartet's policy to explain in writing as clearly as possible why an application is not successful. In some cases an applicant may disagree with the basis of the decision, in which case the appeals procedure is as follows.

First stage: if an applicant disagrees with the grounds of a grant decision, they should take up the issue with the member of staff dealing with that application. This could be in writing or through a meeting, but if it is a meeting, then at least two people from Quartet should be involved. If the decision has been taken on grounds that are incorrect, the decision will be reviewed by the original decision-making body.

Second stage: if after the first stage review the applicant believes that their application has not been fairly assessed in relation to the criteria for the Fund to which the application was made, they may appeal against the decision. The appeal, in writing, should be addressed to the Chief Executive Officer and should include details of the grounds on which the appeal is made. The appeal should be made as soon as possible after the decision has been notified and Trustees will not consider an appeal that is received more than 4 weeks after the decision is notified to the applicant.

The Chief Executive Officer will refer the appeal to the appropriate appeals body (see below) who will consider it as soon as practical. They will review all the information provided to support the application in relation to the Fund's published criteria. The appeals body may interview the applicant and the member of staff concerned, if further detail is required.

The Review Panel's decision will form a recommendation to the Board of Trustees, who will make a decision on the evidence provided.

In the case of an application being unsuccessful on the basis that there are no funds available, the applicant will be able to re-apply when funds are available.

The appeals procedure does not apply to any donor directed fund where the donor has total discretion over how the funds are used.

Timetable

Applicants will be informed that they have four weeks from the date of notification of the decision in which to lodge an appeal. In the first instance the member of staff concerned should deal with the appeal as a matter of urgency. If the appeal has to go to a Committee, Board meeting, or a separate advisory panel, the applicant will be told when they should expect a decision on their appeal. It would be hoped that this would take no longer than three months.

Procedure

The appeals procedure involves presenting the application disputed, with any supporting material, for consideration to a level higher than that at which the decision has been taken, as follows:

Decision taken by	Appeal considered by	Funds
Chief Executive Officer	Grants & Community Impact Committee	Discretionary and field of interest funds up to £1,000
Grants & Community Impact Committee and Board of Trustees	Review Panel drawn from Trustees and including one independent person	Discretionary and field of interest funds up to £10,000. Discretionary and field of interest funds over £10,000.
Advisory Panel with Trustee and Special Advised funds with Advisory Panel with no Trustee involvement	Own arrangements agreed in each case.	Some special advised funds

A Review Panel comprising 3 or 4 people, including 2 members of the Grants & Community Impact Committee and one external person will consider appeals on decisions that have been taken by the Trustees. This panel could only advise the Trustees about the decision and raise any issues which may be disputed, but the Trustee Board still has to make the final decision.

Advisory Panels should agree an appeals procedure at the outset, so arrangements are in place in advance of any need for them. This might vary if an advisory group is set up to oversee strategy in which case that group would not be involved in individual decisions and would be a good forum to review decisions when an appeal is made.

If the Advisory Panel makes decisions on individual applications the procedure put in place should address the relationship with the source of funding, so that the primary funder is involved with the appeals, but the final decision remains with Trustees.

(4.1) Terms of Reference for Grants Panels

A Grants Advisory Panel is set up when this is required by the Fundholder or where Quartet needs to draw on particular expertise to manage a Fund. Normally a Trustee of Quartet will be a member of the Panel for accountability purposes.

The role of the Advisory Panel is to make decisions on applications to special advised funds managed by Quartet.

- 1 There is no set number of members for each panel. Some Panels cover wide geographical areas and have broad remits; others are quite small and have specific remits. Quartet staff and Trustees will determine, in discussion with the Fundholder, the appropriate number of members for each Panel.
- 2 The Panel will determine the detailed criteria and priorities for funding within parameters laid down by the donor or, in the case of a contractually managed fund, understand and interpret the criteria as set by the contract.
- 3 The Panel will make clear decisions on applications based on the application they have received, any assessment provided by a Quartet staff member, and set against the agreed criteria and priorities for the Fund
- 4 In the case of an unsuccessful application, the Panel will be clear about the basis of the decision
- 5 The Panel will appraise any appeals that are made in line with Quartet's appeals procedure and make a clear decision which will then be communicated to the applicant.
- 6 Email panels ie those that do not meet but consider applications and make decisions by email need to recognise that information shared over the internet is confidential.

Role of Quartet Community Foundation

1. Quartet will undertake to provide Panel members with all the necessary information about the background and criteria of the Fund of which they are a Panel Member.
2. We will arrange induction and/or training meetings for members as required.
3. We will arrange all meetings and undertake to provide all the necessary paperwork for the meetings in good time.
4. Out of pocket expenses can be claimed and members will be given information about this.
5. Each Panel will include a Trustee from Quartet who is accountable to the Board of Trustees for all decisions made by the Panel.

(4.2) Protocols for Grants Advisory Panels

All members of Grants Advisory Panels are asked to abide by certain protocols listed below. This is to ensure fairness in the way that all grants decisions are made.

1. All members should declare any conflict of interest before any applications are considered.
2. Members who have a conflict of interest – such as being part of an organisation that is applying for funding – will be obliged to leave the room when that application is discussed.
3. Members will be asked to familiarise themselves with the criteria for the particular fund on which Panel they sit. Quartet undertakes to ensure that members are given the correct and appropriate information for this.
4. Papers for Grants Advisory Panels, including copies of any applications to be considered, will be sent out at least one week before the date of the meeting. Panel members are asked to read through the papers and applications before attending the meeting.
5. Papers and applications are confidential and must not be shown to or discussed with other people who are not on the Panel. In the case of applications considered by email, the papers received must not be copied or sent on to people not involved in the decision making process.
6. Decisions on applications will be made against the criteria and priorities set for the fund.
7. Clear reasons for the rejection of an application must be given at the meeting. Applicants will be informed of this decision.
8. Quartet Community Foundation has an appeals procedure. Panel members will be made aware of this procedure and will be asked to deal with any appeals accordingly.

(5.1) Pre-application advice

1. Individually

- 1.1 Organisations are encouraged to contact Quartet Community Foundation before making an application to discuss the most appropriate funds for them and to discuss their project and their application. General guidance is given on the suitability of their project to individual funds and advice is given on how to put together an application.
- 1.2 In some cases a staff member may meet with a group prior to application to discuss their application and/or project and give general advice.
- 1.3 We have developed relationships with local voluntary infrastructure development bodies and local authority community development workers (where they exist) so that we can signpost groups to these bodies for specific advice and guidance around the development of the organisation.
- 1.3 With some special advised funds, such as those we manage for statutory agencies, Quartet may set up outreach contracts/arrangements with infrastructure agencies to support groups that want to apply for funding. The agencies are given specific information about the criteria for these funds to enable them to support organisations accordingly. The
- 1.4 Local authority community workers and other voluntary sector infrastructure organisations are regularly given updates about the funds Quartet manages so they can advise potential applicants.

2. Written and electronically

- 2.1 The Grants Guide gives a summary of each funding programme to which groups can apply. Each fund has its own guidelines sheet that sets out the full criteria for the fund and includes information about what is and is not funded and what happens to the application once it is received.
- 2.2 This information is on Quartet's website, together with guidance for those organisations who want to apply on-line.
- 2.3 Information about new funds available is posted on the website and sent out in the e-news to which organisations and individuals can subscribe. In many cases we will also issue a press release which receives local media coverage.
- 2.4 Information and articles about funding available are regularly placed in voluntary sector newsletters and e-bulletins across Quartet's area of benefit.

3 Other means of communication

- 3.1 Quartet grants staff speak frequently at funding fairs and events organised by other organisations across our area of benefit. Staff members are also frequently invited to AGMs to speak about Quartet's grant making and what funds are available.

(5.2) Assessment Visits to Projects

1. Introduction

- 1.1 Quartet recognises that visits to projects are extremely important as they give greater insight into the workings of the organisation. Visits also help to add to knowledge about local needs and how people respond to them.
- 1.2 With the volume of applications now received by Quartet (1000-1500 annually) and only three staff assessing applications, it is unrealistic to attempt to visit all applicants. Quartet has built up a wealth of knowledge about groups and organisations in the voluntary sector in Bristol, Bath & North East Somerset, North Somerset and South Gloucestershire and is in regular contact with many of them.

2. When to Visit

- 2.1 In order to make a decision about when to visit the following criteria apply
 - The project is new to Quartet, although not necessarily a new project
 - Quartet is aware that there are some issues affecting the group
 - Quartet has not had much contact with a particular organisation for some years
 - Quartet has concerns about the capacity of the organisation to manage funding
- 2.2 As Quartet targets small groups, other factors have to be taken into consideration, such as whether there are any premises to visit, or group members available during the day time.

3. Frequency of visits

- 3.1 In most cases a visit will occur after Quartet has received an application from the organisation
- 3.2 In some instances it may be appropriate to visit a project prior to application if
 - a) they have had many previous grants from Quartet and we need to assess whether it is still appropriate for the group to apply and what relationship there will be in the future.
 - b) a group makes an enquiry and it is not possible to ascertain their needs by a telephone call only
 - c) from time to time it may be appropriate to do a follow up monitoring visit to projects. In some instances a particular contract may require this.

4. Who Visits

- 4.1 In most cases it will be the officer responsible for the application who will make the visit, but they may choose to take another member of staff for a number of reasons including

- a) there is some uncertainty about the project and the staff member would like support at the meeting
- b) a Trustee might be invited if they have expressed interest in a particular area of work or geographical area.
- c) a new member of staff (not necessarily grants staff) as part of their introduction to Quartet's work.

5. Safety

- 5.1 All staff members now have mobile phones details of their numbers are on Office Outlook.
- 5.2 Staff should ensure that there is clear information on their electronic diary about where they have gone, giving the address of the organisation, if it is not already on Digits.
- 5.3 *Wherever possible individual visits to people in their homes should be avoided.*

(5.3) Assessing the Application

Introduction

In the last few years as the number of grant programmes has increased grant making assessment is primarily desk based and contact is made with the organisation applying either by telephone or email (or both). The policy at 5.2 recognises the importance of visiting projects, but also recognises we cannot visit all applicants, the assessment process needs to be rigorous without being over bureaucratic.

Assessment Process

Basic Eligibility Check

- Does the broadly fit the criteria (including income limitations) for the programme to which they are applying?
- Is this the right time to apply?
- Has the applicant completed the application, included the relevant supporting documents and signed the form
- If a registered charity, do they have an up to date record on the Charity Commission website and is their any information on this that might alert concern
- If not a registered charity, are the properly constituted and have clear purposes

Assessment

In this process the grants assessor is looking for the following within the application – this is not a check list and the assessor makes a judgement about the level of enquiry needed depending on the nature of the application/funding programme

- Is the organisation properly constituted, do they have a reasonable number of management committee members, do they have regular meeting and are these documented
- Do members of the management committee appear to be related or are all living at the same address
- How is it managed, staff, number of volunteers, how are they engaged
- Does the application identify a clear need to be addressed
- Have they given reasonable evidence to support this
- Does the activity appear to be reasonable and achievable
- Has the funding bid been properly costed
- Does the application appear to be value for money
- How is the organisation funded and what is their income and expenditure for the year; what level are their reserves; are they reasonable; have they given sufficient reasons in the accounts for any designated fund. (see check list for reading account below
- Does the organisation has major funding issues, and if so, in what way is the application addressing these

The assessor goes through the application to see if the above questions are answered in the written application and may draw up a list of questions they would like to be answered by the organisation's representative. At this point a judgement will be made regarding a visit. It is most likely that any follow up with be done either by phone or email.

Once the assessor is satisfied that they have received all the answers to their concerns they will write up the assessment on Digits, either recommending a grant or not. If not recommending the assessor must give clear reasons for this.

(5.4) Checklist for reading accounts

The following list provides overall guidance for looking at the accounts of an organisation when assessing an application. This check list was written by Sayer Vincent Accountants who specialise in the Charity Accounts;

- evidence that the organisation is capable of managing the funds it receives
- that if they have reserves, there is a reserves policy, and the reserves they have are reasonable given the size of the organisation
- is income shown gross ie before expenditure is deducted?
- Has overall income increased since the previous year
- Are there new sources of income?
- Is there a high dependency on a particular source of income?
- Are there any expenditure items showing significant differences to the previous year?
- Do the accounts show a surplus or a deficit?
- Have significant amounts been spent on fixed assets?
- How have additions to fixed assets been funded?
- Do current assets cover current liabilities?
- Could they pay all their creditors from bank balances?
- How large are unrestricted reserves* in terms of cover for running costs.
- Are restricted funds properly identified and explained?
- Are designated funds explained? Do you consider the definite commitments?
- Are fundraising costs properly identified?
- Are management and administration costs properly identified?

Reserves

- In general Quartet would expect/hope that organisations showed a reasonable amount in their reserves eg 3-6 months running costs
- With very small organisations Quartet would be looking for evidence of “good housekeeping” and that organisations were using their funds appropriate

(5.5) References

- I. Quartet does not normally ask for referees on its grant application form. The Community Foundation has built up considerable knowledge about the voluntary sector in the area of benefit and may either already have had contact with the organisation in the past or know the networks in which an organisation will be operating.

- 2 In some cases a contract to manage a fund may require Quartet to ask for and take up references. The referee should normally be someone who knows the work of the organisation in a professional capacity but who is not directly involved. If this is a contractual obligation references must be taken up
- 3 As part of the assessment process it may be useful to talk to someone outside the organisation who knows about its work. These are likely to include
 - Local authority community development workers
 - Social work or health professionals
 - Community development workers associated with a CVS type organisation
 - Organisations working with groups of people with particular needs such as refugees
 - Other organisations working in a particular area of work that may know of the group, eg advice work, transport groups
4. In some instances Quartet would have asked an organisation for a reference to let the group know that we would be talking to someone else about the project.
- 5 Quartet retains the right to talk to other organisations about a project without informing that organisation if there are concerns about their activities.

(5.6) Policy Documents required from applicants

In 0809 65% of the groups funded by Quartet had an income of under £50,000. They are small organisations although many may have a lot of members or users who benefit from their activities.

The normal check during assessment is that groups have some form of rules (constitution), a management committee and a bank account in the name of the organisation with at least two signatories. However it is recognised that groups working with children and other vulnerable people need to be aware of current practices and procedures.

I. Child Protection Policies

- I.1 At the Grants Committee meeting in July 2004 it was agreed that all projects working with young people should be asked for and be required to have a Child Protection Policy.
- I.2 Groups working with Vulnerable People should have a policy covering working practices.
- I.3 Groups need to be asked if staff working with Children or Vulnerable People have been CRB checked. We may consider funding these checks if they are part of an appropriate organisation

2. Equal Opportunities

- 2.1 Quartet operates its grant making programmes in accordance with our Equal Opportunities policy.
- 2.2 We do not require every group to have an Equal Opportunities policy, as we believe that this might be a barrier to some of the very small groups that apply to Quartet. As part of the assessment process, however, we will be looking for evidence of the group operating in a way that addresses equal opportunity issues.
- 2.3 An Equal Opportunities Policy will be required for any group receiving a grant of over £10,000.

3. Health and safety

- 3.1 Small groups may have different requirements for health and safety policies depending on what they do eg volunteers at a lunch club would need to have food hygiene certificates if they were preparing food.
- 3.2 We would assess the application and the activity in an appropriate way to its size and scale of activity.
- 3.3 The Act does not cover purely voluntary led groups and organisations, and those organisations with less than 5 employees are not required to have a written policy. However all groups are required to take reasonable action to ensure the health and safety of their users and members and we will undertake in the assessment process to establish what these are.

(6) Monitoring Grants

1. All grants agreed from Quartet's Discretionary, Field of Interest and Special Advised funds will be monitored. Monitoring reports will be required from groups to assess that the grant they received has been used appropriately and to glean what impact the grant has had. The details of what is required from groups are set out on the monitoring forms set up as a mail merge on Digits. What groups will be asked for monitoring purposes is included in the original grant offer letter so groups know what to expect.
2. Applicants are asked to estimate an end date for the grant activity. That date is put on the Digits Event log on the application screen and monitoring reports are requested on that date. The Grant Monitoring form will be available from the Quartet website during this current financial year 2009/10
3. Information from the monitoring forms is inputted to Digits. Information from reports will be used in future grant application assessment. Information gathered from reports may be used for overall evaluation purposes to demonstrate the impact of Quartet's grant making programmes.
4. In certain circumstances Donor Directed grants and grants made under special schemes such as The Funding Network (TFN) monitoring arrangements will be

agreed with the fund holders so as to provide the appropriate information on how grants have been used.